

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: DEREGULATION OF LOCAL EXCHANGE SERVICES IN COMPETITIVE MARKETS	DOCKET NO. INU-04-1
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BOARD STATEMENT

(Issued August 27, 2004)

On May 7, 2004, the Utilities Board (Board) initiated this notice and comment proceeding to consider whether local exchange service to business and residential customers in certain Iowa communities is subject to effective competition and should be deregulated pursuant to Iowa Code § 476.1D (2003) and 199 IAC 5.3(1).

On August 24, 2004, an oral comment proceeding was commenced for the purpose of taking sworn testimony concerning pre-filed statements and counterstatements of position by interested participants. At the onset of the comment proceeding, the Board had several questions regarding apparent inconsistencies in market share data submitted by the participants. On August 26, 2004, the Board stated it would have its staff review the potential inconsistencies for identification in an order. This would allow the participants an additional opportunity to clarify the record.

Board staff has reviewed those questions and the information received so far in the oral comment proceeding and has determined that the questions have been resolved. Therefore, no additional information is requested of the parties at this time.

In addition, the Board notes that several companies that may be affected by the Board's decision in this docket are not represented at the oral comment proceeding. The oral comment proceeding is continuing and will resume at 10 a.m. on Monday, August 30, 2004, in the Board's hearing room at 350 Maple Street, Des Moines, Iowa 50319-0069. The Board encourages all interested persons, including any entities which have filed information in this docket but have not appeared at the proceeding, to appear on August 30 to present any relevant information they have.

UTILITIES BOARD

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 27th day of August, 2004.